



Barry Callebaut

Home-Baking & Making Trends

July 2021

Report Methodology & Outline

Methodology

- **Type of Analysis:** Quantitative + Qualitative analysis using
 - Innova Database (product launch analysis)
 - Consumer Insights
 - Desk Research
- **Category & positioning:**
 - Baking ingredients and mixes
 - Free text search in description and/or claims in the sweet categories*:
(("do it yourself" "baking at home" "DIY" "homebaking")-("for baking at home")) "for decoration" "for decorating" "decorate cakes" "decorate cookies" "decorate baked"
(("for cupcakes" "for cakes" "for home made bread" "for home made")-("ingredient for"))("mix" +(("dough"-"cookie dough") "batter" "knead"))
- **Geographies:**
 - Global
- **Timeframe:** 2016 - 2020, or 2021YTD**

Report Outline

- **Market Overview**
- **Pillars of innovation**
 - **Home-baking & health beliefs**
 - **It's all about FUN!**
 - **Easy & convenient**
- **Key takeaways**

Abbreviations

NPL = New Product Launches
NPD = New Product Development
CAGR = Compound Annual Growth Rate

Note: *Sweet categories include Bakery, Cereals, Confectionery, Dairy (excl. Cheese), Desserts & Ice Cream, Fruit, Hot drinks, Snacks (excl. Savory), Sports Nutrition, Spreads (excl. Savory) and Sugar & Sweeteners
**2021YTD = Jan 2021 - Apr 2021



Market Overview

Launch activity: Two separate movements are observed

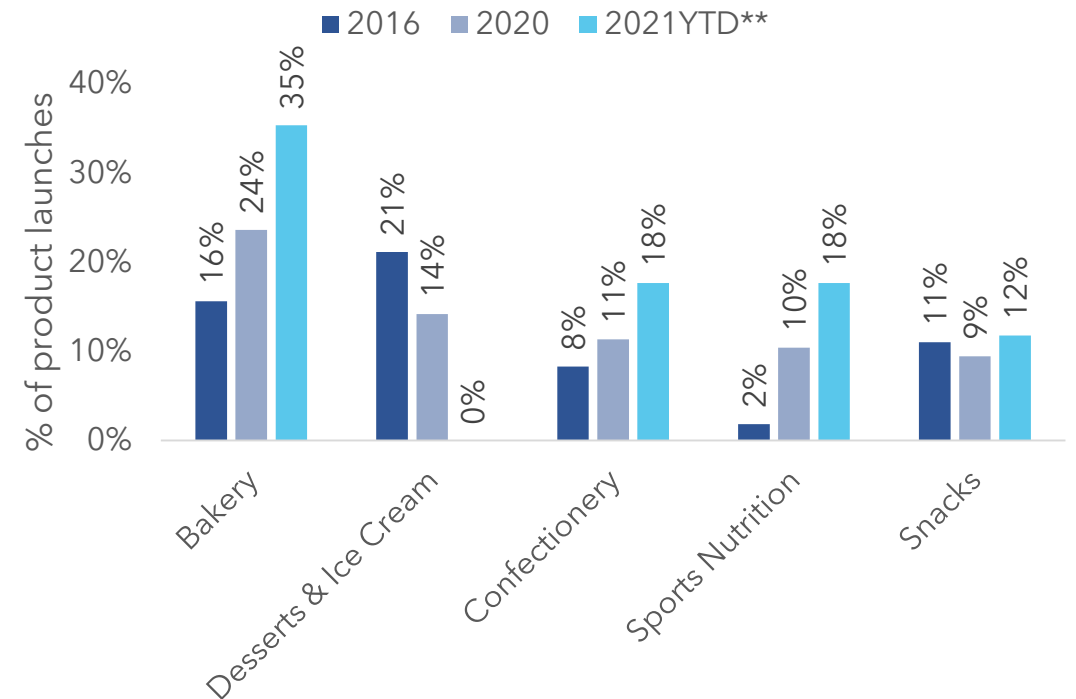
On the one hand: Small but stable category growth

On the other hand: Cross-category developments

Figure I Index number of annual baking ingredients & mixes launches tracked (Global, 2016 = 100)



Figure I Top 5 subcategories as a percentage (%) of total products tracked with a home-baking/making positioning*, excl. baking ingredients & mixes (Global)



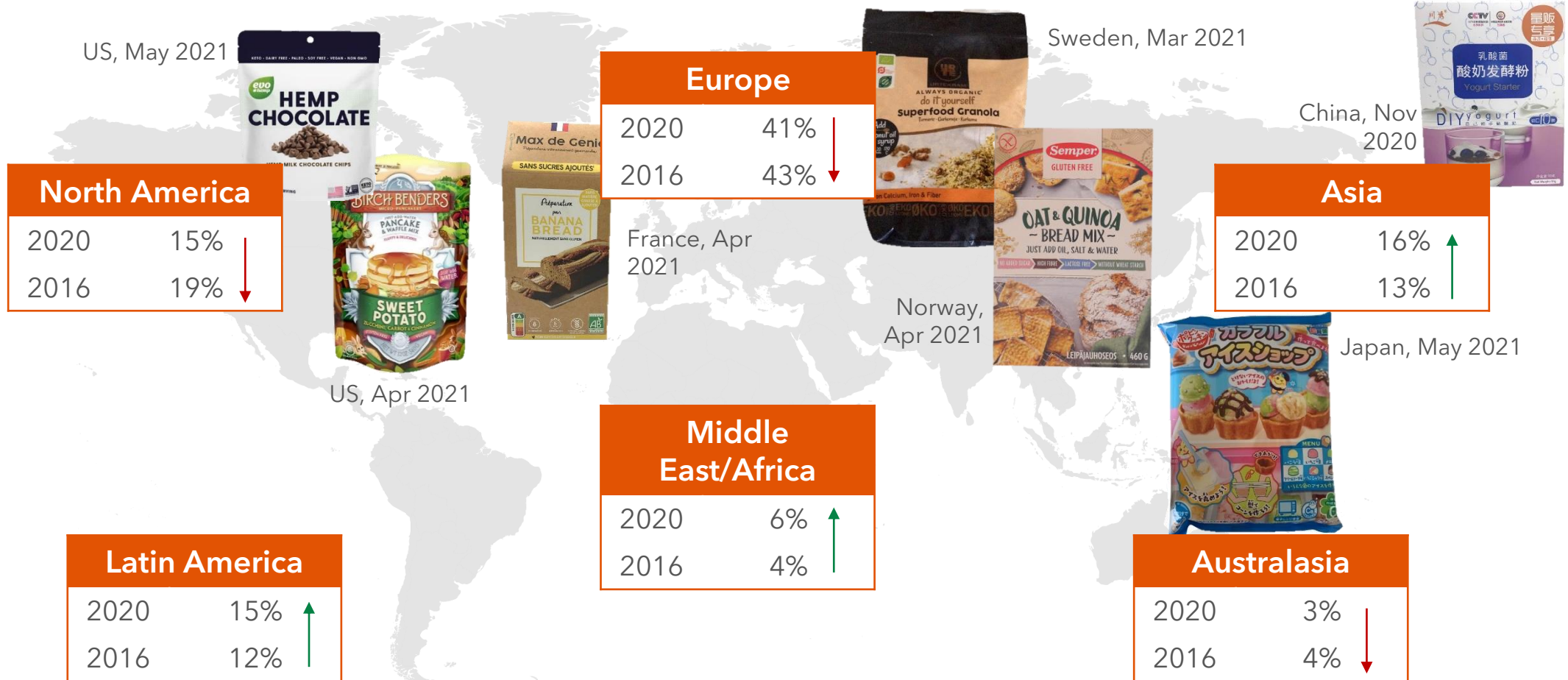
Source: Innova Database

Notes: *see methodology for more information about home-baking/making positioning

**2021YTD = Jan 2021 - Apr 2021

Europe continues to lead; Asia and Latin America are on the rise

Percentage (%) baking ingredients & mixes launches and/or products with a home-baking/making positioning*, split by region (2020 vs. 2016)



Source: Innova Database

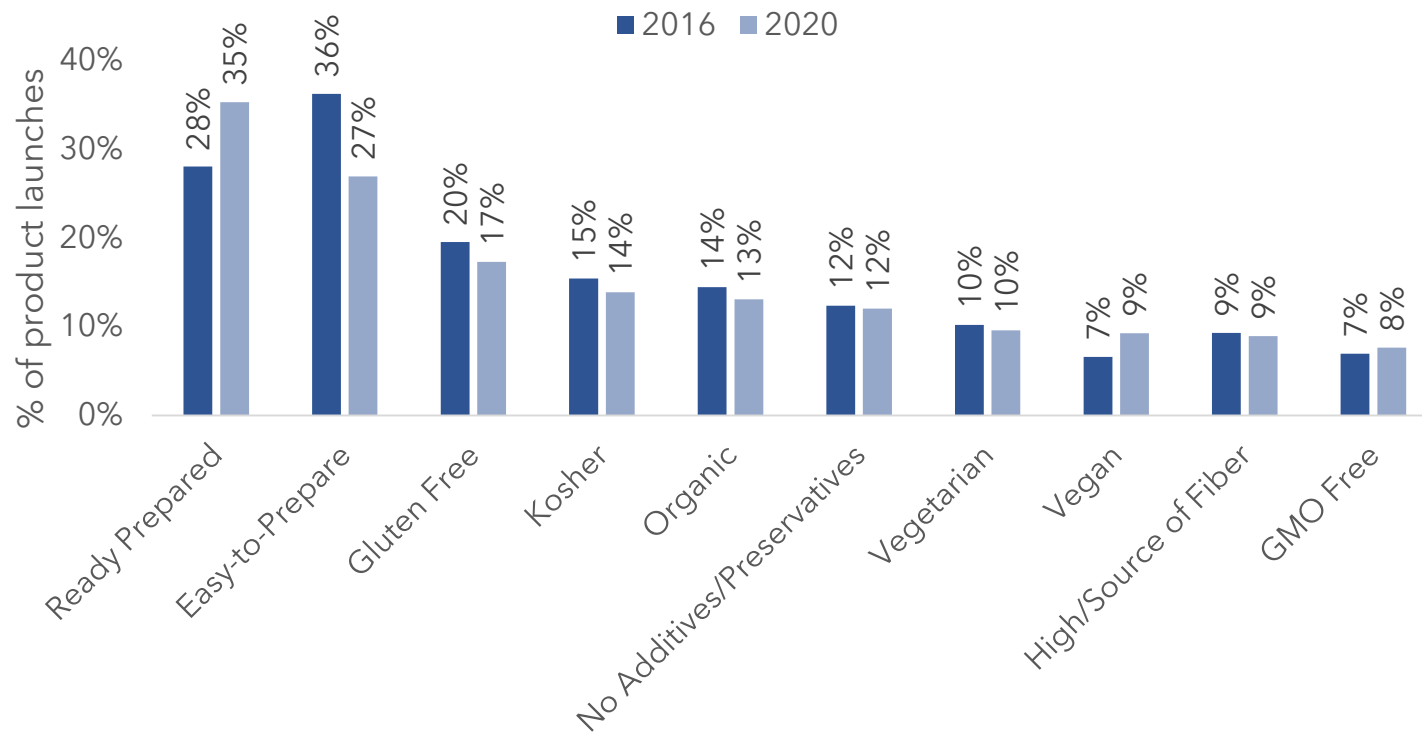
Notes: *see methodology for more information about home-baking/making positioning

Positioning trends reveal the importance of health & convenience factor

Convenience and health beliefs are taking center stage

Veganism is on the rise

Figure 1 Top 10 subpositionings as a percentage (%) of baking ingredients & mixes and/or product launches tracked with a home-baking/making positioning* (Global)



From

Ingredients: [...] natural flavor, cornstarch, sodium alginate, guar gum, semi sweet chocolate chips: sugar, **unsweetened chocolate, cocoa butter**, soy lecithin, vanilla extract.



To

Ingredients: Almond flour, **chocolate chips (unsweetened chocolate, erythritol, tapioca fiber, acacia gum, sea salt, natural flavors, cellulose gum, sunflower lecithin, monk fruit extract)**, non-GMO Lakanto monk fruit sweetener [...]

Source: Innova Database

Notes: *see methodology for more information about home-baking/making positioning

Spotlight on top three players in the home-baking segment



Dr Oetker Ice Cream Ideas
Salty Liquorice, Crunchy Strawberry & Sour Flakes Sprinkles

Norway, May 2021



US, Feb 2021

US, Feb 2021



US, Mar 2021

US, Mar 2021

Source: Innova Database

Notes: *Based on baking ingredients & mixes and/or product launches tracked with a home-baking/making positioning tracked between 2016 and Apr 2021



Pilars of innovation

Topics to be discussed

In the home-baking/making industry, there are three pillars that can be distinguished to pinpoint the trends shaping the industry: Health, fun and convenience



The convenience platform is driven by product launches aiming to make it easier for consumers to bake vs. prepared products. As such, more and more consumers are triggered to start baking.



On the fun platform, the influence of COVID-19 is strongly present. Consumers look for a new hobby during their time at home, which is amplified by an already existing desire to learn new skills.



On the health platform, consumers are observed that want control over what they consume, and to have their consumption experience tailored to their unique lifestyles.

Easy & Convenient



Convenient solutions: Make baking easier vs being a trigger to try



Helping the more experienced bakers

Stimulating the non-bakers

US, Apr 2021



Ireland, May 2021



South Africa, Apr 2021



Shake & Bake, only add milk

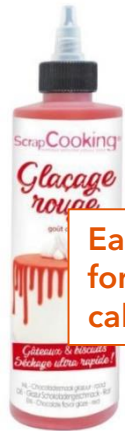
Netherlands, Dec 2020



Wholegrain amaranth flour



Mexico, Apr 2021



Easy bottle for drip cakes

France, May 2021



Germany, Apr 2021



US, May 2021

"anyone can make it"

UK, Apr 2021



US, May 2021

Precut sugar cookie dough

Source: Innova Database

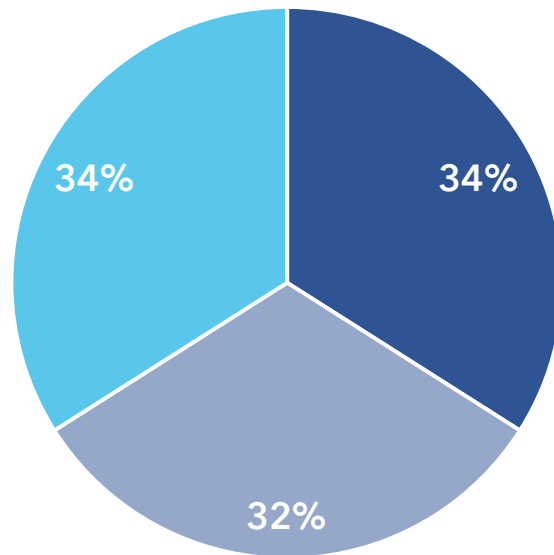
Having the perks of home-baking without the difficulties

Convenience claims are omnipresent in home-baking products

No-mug-needed mug cake

Figure 1 Percentage of “easy-to-prepare” vs “ready prepared” claims as a percentage of baking ingredients & mixes and/or product launches tracked with a home-baking/making positioning* (Global, 2016-2021YTD**)

■ Ready-prepared ■ Easy-to-prepare ■ Other home-baking products



Bionova Cake in Cup Organic Protein Muffin Mix with Chocolate Chunks

Russia, Mar 2021



Add milk or water at room temperature up to the mark on the inside or outside of the cup (approximately 70ml). You can add a little more or a little less liquid, depending on the desired consistency of the finished muffin.

Source: Innova Database

Notes: *see methodology for more information about home-baking/making positioning

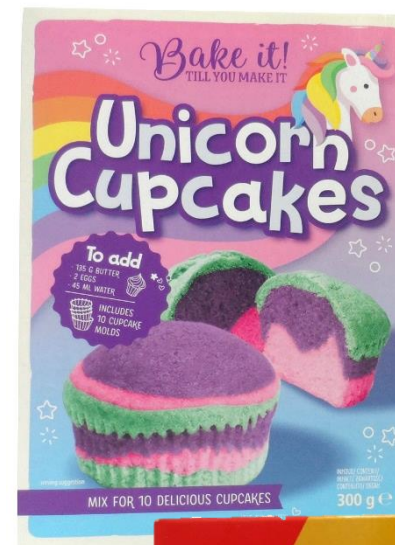
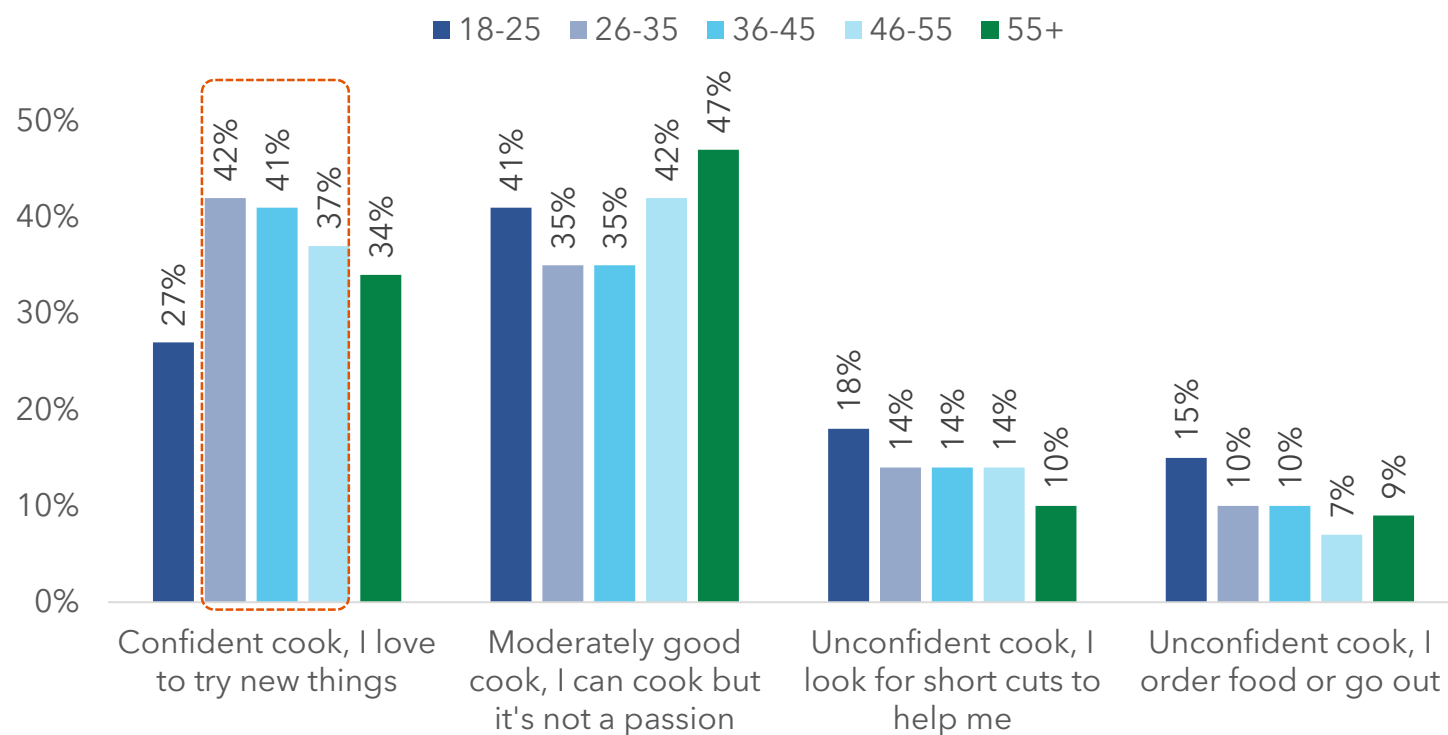
**2021YTD = Jan 2021 - Apr 2021

Confidence and interest go hand in hand; opportunities to trigger Gen Z

Confidence is particularly low among Gen Z consumers

Leverage trends to attract youngsters

Figure 1 Average responses to the question “how would you describe your cooking style?”, split by age



Netherlands, May 2021



Philippines, May 2021

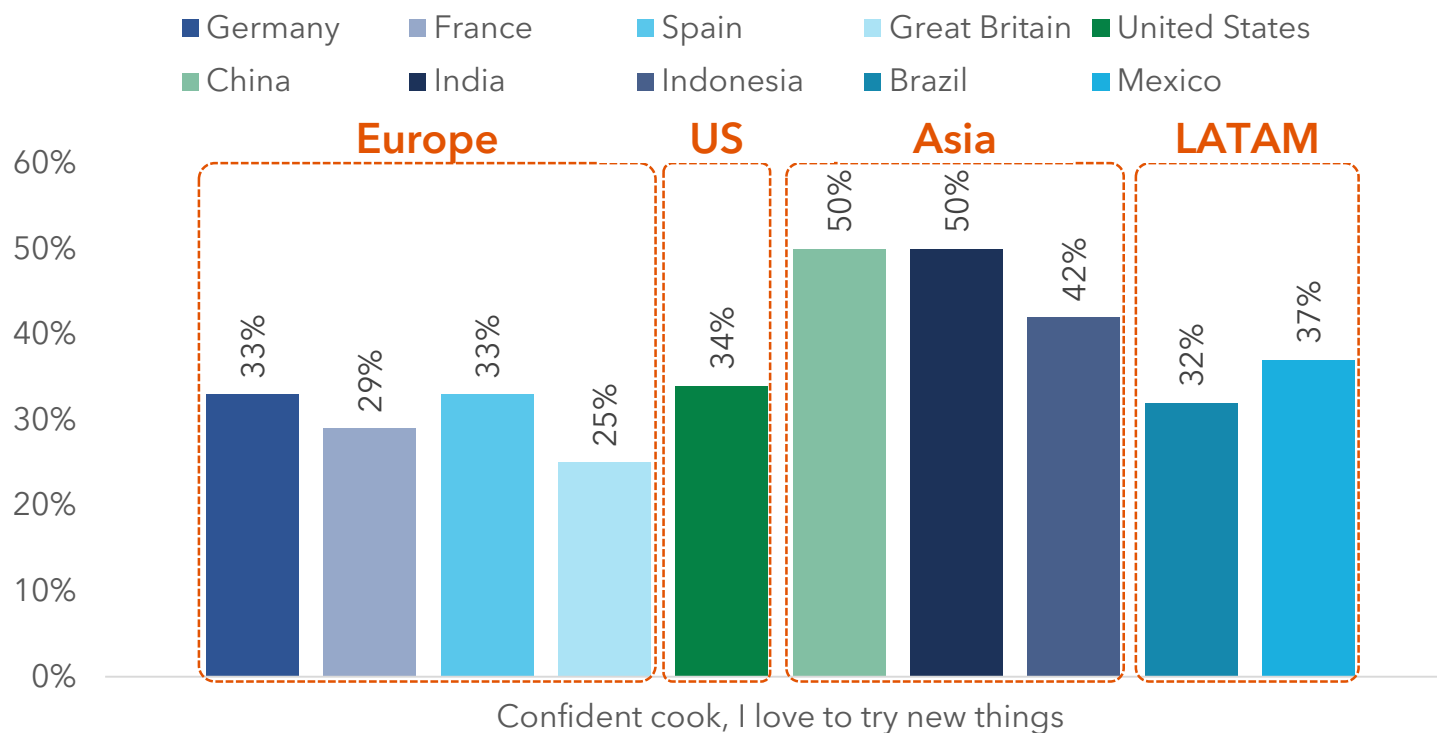
Source: Innova Database, Innova Flavor survey (2020): Average of 10 countries

Opportunities to trigger the European consumer with easier solutions

Consumers from Asia have greatest confidence in cooking skills

Baking made easy in France & UK

Figure 1 Average responses to the question “how would you describe your cooking style?”, split by country



Source: Innova Database, Innova Flavor survey (2020)



It's all about FUN!

Consumer interest in baking spiked during lockdown

Consumer interest in new recipes is on the rise

Figure 1 Google Trends for “baking recipe” over the past 5 years (Global, Jun 19-25 2016 – Jun 13-19 2021)



“Boost for baking ingredients this Easter as COVID-19 spins traditional food celebrations”

09 Apr 2020

“The ongoing coronavirus outbreak is creating fluctuations and unexpected increases in demand for some foods and ingredients. In the UK specifically, a wave of panic buying and stockpiling food products disrupted the food supply in previous weeks with **an obvious shortage of eggs and flour, suggesting that many consumers are trying their hand at baking from home**”.



Source: [Google Trends](#), [Food Ingredients First \(09 Apr 2020\)](#)

Interest is in home-baking driven by the desire to learn new skills

"I am interested in **learning new cooking and baking skills**"



63%

of consumers globally

CREATE WITH FIRETREE - THE COOKALONG EVENT - THURSDAY 15TH JULY 7-8.30PM

"Firetree Ambassador and chef, Gourmet Glow, will guide you through the techniques needed to make an impressive chocolate dessert using one of our new Firetree Create range of easy-melt chocolates during our live Zoom event."



"Turn baking into edible science and **discover the fun** with Spectacular Science Baking Mixes! This unique range of kids baking mixes allow you and your kids to create edible science in your own home."

Learn about starch gelatinization - Making edible slime

UK, Mar 2021



UK, Sep 2020

Turn liquids in gel: make your own jelly bubbles



UK, Sep 2020

Learn about pH, acids and alkalis: color changing cupcakes

Source: Innova Database, Innova Lifestyles & Attitudes survey (2020), [Firetree Chocolate](#), [Dr Oetker](#)

The development of food trends changes in the era of social media

Potential of TikTok to instigate food trends

TikTok food trends: Cloud bread, dalgona coffee & pancake cereal rise amid COVID-19

18 May 2021 --- TikTok's top food trend is **cloud bread**, according to new data from Jack and Beyond. The social media platform's arm for food trends, FoodTok, has risen in popularity amid the COVID-19 pandemic, **with many more consumers sharing their kitchen skills since spending more time at home.**



In Summary

- TikTok drives food trends as more and more young people get their recipe inspiration from social media.
- Particularly in light of lockdown, young people started to cook at home and might have been surprised by their own capacities.
- **This confidence potentially boosts the duration of the interest** in home baking and cooking.

Source: Innova Trend survey (2020), [Food Ingredients First \(18 May 2021\)](#)

Social media as the main source of inspiration

"I get my inspiration for food and beverages from **Instagram**"

44%

of consumers between 18-25 globally

vs 29%

average of consumers globally



Targeting the younger generations: Picture perfect home baking

Farmsteady's trendy DIY kits

Farmsteady Rainbow Bagel Making Kit

US, Mar 2021



Mr Kipling adding elements of fun

Mr Kipling Llama & Unicorn Cake Mix

UK, Mar 2021



Renshaw makes it sparkle

renshawbaking Move over #AppleEvent, the #RenshawEvent is here. Say hello to our brand new Shimmer Icing Kits, available in Gold, Silver and Rose Gold.



Renshaw Silver Shimmer Icing Kit

UK, Jun 2021

Source: Innova Database, [Farmsteady](#), [Renshaw Baking](#)

**Home-baking &
health beliefs:
A tailored solution**

Home-baking/making to adhere to specific health strategies

Control

"To me product information is of major importance, **I want to know what a product contains**"

85%

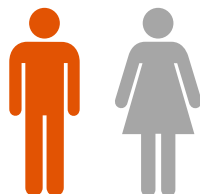
of consumers globally

72%

...of consumers globally say "I choose natural products to **avoid additives and preservatives** as much as possible"

Plant-Based/Vegan

"I consider plant-based alternatives because **it's healthier**"



1 in 2

consumers globally

+32%

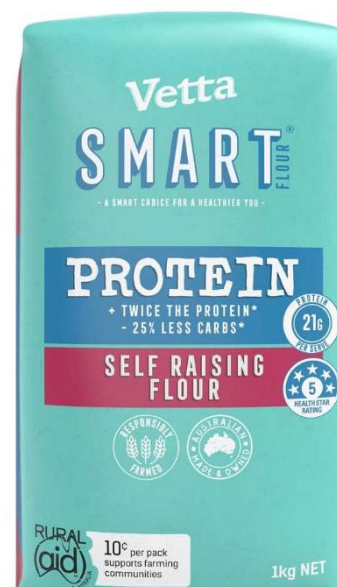
... average annual growth of home-baking products* tracked with a plant-based claim (Global, CAGR 2016-2020)

Health as a cross-category driver

Sports Nutrition

Special Nutrition

Blurring the boundaries between home-baking/making, Sports Nutrition or other specialized nutrition categories.



Australia, Jun 2021



France, Oct 2020

Source: Innova Database, Innova Trends survey (2020), Innova Health & Nutrition survey (2020)

Notes: *Includes both baking ingredients & mixes and products tracked with a home-baking/making positioning (see methodology)

Specific lifestyles/needs leads to demand for tailored bakery products

“Why have you decreased your consumption of bakery products*?”



“My lifestyle/needs have changed”

1 in 4 consumers globally

+39%

...average annual growth of keto/paleo* options in baking ingredients and mixes and/or products tracked with a home-baking/making positioning** (Global, CAGR 2016-2020)



Australia, Feb 2021



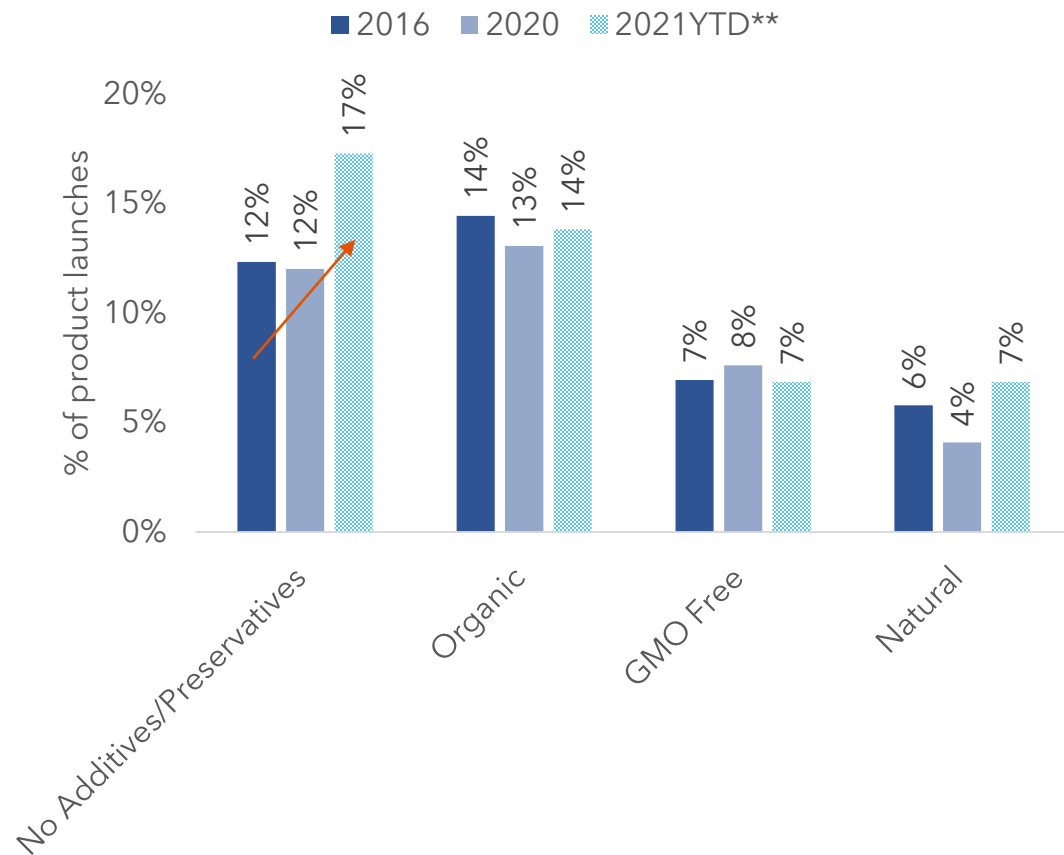
Canada, Feb 2021

US, Feb 2021

Source: Innova Database, Innova Category survey (2020)
Notes: *products tracked with “keto”, “ketogenic” or “paleo” as part of the name, description or claim
**see methodology for more information about home-baking/making positioning

Clean labels to have full control over naturalness of your dish

Figure 1 Clean label claims as a percentage (%) of baking ingredients and mixes tracked and/or product launches tracked with a home-baking/making positioning* (Global)



US, Apr
2021



Have your cake & eat it too!

— KETO & ORGANIC —

“Whether you're keto, prefer to eat organic, or are simply tired of food labels filled with processed ingredients, excess carbs and loads of sugar, you no longer have to abandon the foods you love. Now you can rejoice in having your cake and eating it too – literally.”

Source: Innova Database, [Birch Benders](#)

Notes: *see methodology for more information about home-baking/making positioning

**2021YTD = Jan 2021 - Apr 2021

Push to eliminate dairy and eggs from traditional recipes

“In the past 12 months, I have **increased my consumption of vegan meals**”



1 in 5
consumers globally



UK, Feb 2021



France, Feb 2021



Australia, May 2021



UK, Feb 2021

Europe +
Pakistan,
Apr 2021



Netherlands,
Feb 2021

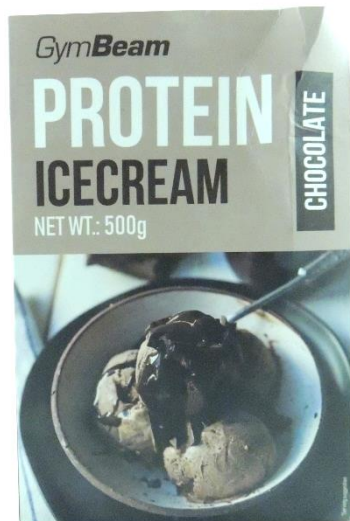


Source: Innova Database, Innova Health & Nutrition survey (2020)

Providing sports minded consumers a feeling of control

+53%* ...average annual growth of **Sports Nutrition** launches tracked with a **home-baking/making positioning*** (Global, CAGR 2016-2020)

When **Sports Nutrition** meets **Home-Baking/Making**:



Perfect for baking, cake batter, to use as a chocolate glaze:

"The perfect chocolate taste in and on your homemade delicacies"

Ukraine, Nov 2020

Germany, Apr 2021



Prozis Protein Bread Mixes

Globally launched

Prozis offers you a complete array of bread types, from the classic wheat loaf to the exotic Naan bread. Think of the advantages. You will **save up** bakery **money**, you know where your bread has come from, you are sure to get a **high protein** recipe and, last but not least, you can have a delicious piece of bread whenever you want.

(We won't even mention all the gloating and bragging you can annoy your friends and family with over the tasty bread you baked by yourself! And they said you couldn't even fry an egg!)

Source: Innova Database, [Prozis](#)

Notes: *see methodology for more information about home-baking/making positioning

How home-baking can be leveraged for health-conscious consumers

A Nutrition Company x Sports Nutrition x Home-Baking



“make a nutritious muffin that provides an ideal balance of **protein and other key nutrients** to help satisfy your hunger and give you energy. You can also use Protein Baked Goods Mix **to make delicious waffles, pancakes and more** when prepared as directed”

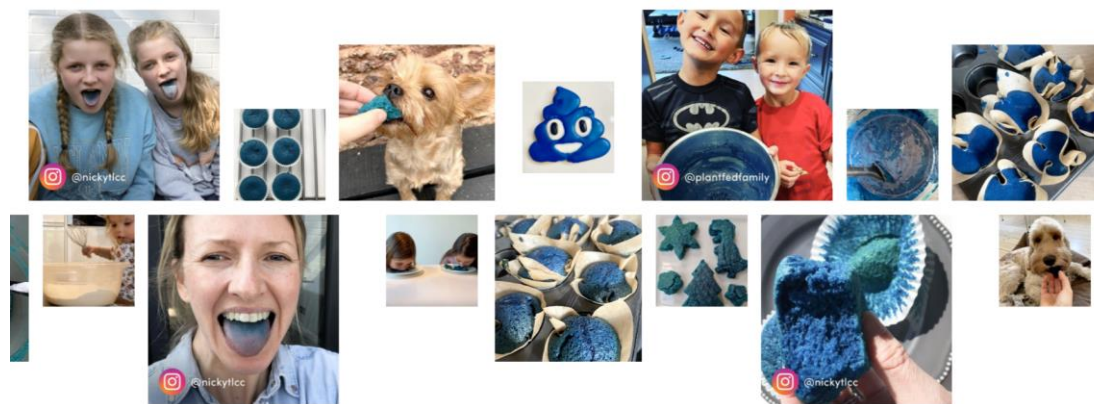
US, Jan 2021

Linking home-baked goods to health consciousness

“Zoe challenges consumers to track personal gut transit times via blue food dye”

19 May 2021 --- Personalized nutrition company Zoe is launching the **Blue Poop Challenge** to help consumers understand their individual gut transit times while normalizing the conversation around defecation. [...]

The Blue Poop Challenge website **provides muffin baking instructions** and also offers purchasable pre-dyed muffins. Participants start a timer after eating two blue-dyed muffins and then stop the clock once they see a blue discoloration in their stool.



Source: [Herbalife Nutrition](#), [Nutrition Insights \(19 May 2021\)](#), [Zoe Blue Poop](#)

Key Takeaways

Implications of these trends for Barry Callebaut

NOW

FUTURE OUTLOOK



Not all consumers are equally confident in their baking skills. Easy-to-prepare recipes, or products that are partly prepared enable these consumers to be more confident in their skills, and therefore, find it a more enjoyable experience.

For the spiked interest in baking to stick, consumers need to feel empowered in their baking skills, while simultaneously feel like they learn new skills (i.e. more adventurous recipes), and find more ways to enjoy it (i.e. new categories)



Baking is fun; It is simultaneously an activity as it is a way to get an indulgent treat. During the pandemic, consumers found new ways to incorporate baking as part of their lifestyles.

As experience and interest in baking rose during the pandemic, consumers are seeking new and more adventurous recipes. Another development that is observed, is the interest in picture perfect patisserie.

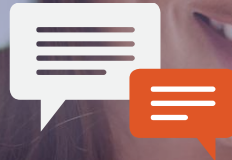


Traditionally, baked goods are not the go-to category for healthy options. Mainly, because these products are often indulgent foods.

Consumers become more and more aware of the control they gain when baking it themselves. As the list of lifestyle specific diets (e.g. keto, paleo) is increasing, the potential of DIY is on the rise.

For insight led future growth opportunities

The Innova Database is an online, cutting-edge food & beverage product database - created by a dedicated team of industry-leading food and beverage experts that collect the latest data from more than 90 countries.



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Innova Market Insights

Innova operates the biggest food and drink product database in the world. We pick up and record brands, ingredients, claims, packaging, patents & promotions in every major market.

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